

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0956-01
Bill No.: HB 595
Subject: Licenses - Motor Vehicle; Motor Vehicles; Revenue Department
Type: Original
Date: February 28, 2011

Bill Summary: This proposal changes from six months to 60 days the period of time that a temporary motorcycle permit is valid.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Missouri State Highway Patrol (Driver Examination Division)** state this proposal will have no fiscal impact on their agency.

Officials from the **Department of Revenue - Driver's License Bureau** assume the proposed changes will require:

- Draft of updates to web site information.
- Update office procedures.
- Update the Missouri Motorcycle Operator's Manual and Missouri Driver Manual (on-line and printed versions).
- Development of Missouri Electronic Driver License issuance system change requirements documents to define changes to issuance periods for a temporary motorcycle permit. Due to the scheduled transition to new hardware and updated software in license offices scheduled to occur during FY 2012 there is an increased amount of programming and testing which must occur to program, test and implement changes to the legacy system and new license system.

Personnel to implement the above would require the following:

Administrative Analyst	120 hrs @ \$24/hr	\$2,880
Management Analyst Specialist II	130 hrs @ \$23/hr	\$2,990
Revenue Band Manager	10 hrs @ \$30/hr	<u>\$ 300</u>
	Total	\$6,170

Additional personnel costs for the Personnel Services Bureau for updating of Driver's License Bureau related forms, procedures and manuals and updating of web site information related to the motorcycle permit:

Administrative Analyst III	10 hours @ \$22/hr	\$ 220
Management Analysis Specialist 1(2)	80 hours @ \$20/hr	<u>\$1,600</u>
	Total:	\$1,820

ASSUMPTION (continued)

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

Information Technology-OA-ITSD (DOR):

The DOR response to a proposal identical to this one in a previous session indicated the DOR planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's driver license legacy systems, changes cannot be made without significant impact to the Department's resources and budget. The IT portion of the fiscal impact is estimated with a level of effort valued at \$4,000, based on an Over the Counter (OTC) contractor @ \$100/hour for 40 hours.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

DOR stated the revenue impact as Unknown. They did state that due to the lesser term of issuance, applicants may apply for additional motorcycle instruction permits.

Oversight, based on information from the Driver's License Examination Division, notes that in 2010, there were 37,026 written tests taken. **Oversight** assumes there will be a minimal number of additional applicants for permits after the initial 60 day permit. Even taking into consideration a number of applicants between 15 ½ and 16 that would require additional permits before getting a license at age 16 might increase, the revenue impact would not be material.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

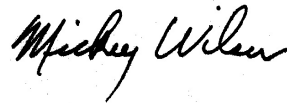
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Public Safety
Missouri State Highway Patrol

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 28, 2011